



VIA ECFS

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

March 20 2019

RE: NOTICE OF EX PARTE

WT Docket No. 18-197: *Proposed Transfer of Control of Sprint Corporation to T-Mobile US, Inc.*

WC Docket No. 10-90: *Connect America Fund*

WT Docket No. 10-208: *Universal Service Reform – Mobility Fund*

WC Docket No. 18-89: *Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs*

Dear Ms. Dortch,

Vermont Telephone Company and its affiliate VTel Wireless, Inc. (collectively, “VTel”) support proposals to prevent universal service funds from being used to acquire and operate equipment that may pose a threat to the nation’s security. Such proposals represent a common-sense approach to protecting the nation’s communications infrastructure.

VTel has deployed fiber to almost every home in the 14 small Vermont rural communities its wireline network serves, built a 4G LTE wireless network to over 95 percent of all Vermont homes, and upgraded its fiber network to New York, Boston and Montreal with state-of-the-art multiple-100 Gig wavelengths. VTel is committed to protecting the security of its network. Accordingly, our fiber network is built almost entirely with Calix, Juniper, Nokia, Ericsson, Microsoft, HP, IBM, and Corning technologies. Our wireless network is built almost entirely with Ericsson, though two of our 60 rural microwave links installed in 2017 are Huawei, which we are in the process of replacing with Ericsson equipment.

VTel has sought to encourage other operators that interconnect with its network to maintain the same high standards of network security that we do.¹ For example, VTel recently received a request for interconnection from FirstLight Fiber, an operator owned by a French

¹ See, e.g., John Dillon, *VTel Case Raises International Cybersecurity Concerns*, VPR (Jan. 28, 2019) <https://bit.ly/2TYYwXM> (last visited Feb. 19, 2019); see also, e.g., Alex Marquardt and Michael Conte, *Huawei connects rural America. Could it threaten the country’s most sensitive military sites?*, CNN (Mar. 11, 2019) <https://cnn.it/2Cc5yBq> (last visited Mar. 14, 2019) (explaining how certain small wireless operators that maintain facilities near military bases and other sensitive government locations may pose special security risks).

multinational that we understand has extensively deployed Huawei equipment in its network. During negotiations of an interconnection agreement, VTel sought to include language mirroring the language in section 889 of the John S. McCain National Defense Authorization Act for Fiscal Year 2019.² This language was intended to mitigate the risk that interconnecting could undermine the security of VTel's network and threaten its continued ability to receive universal service support.³ FirstLight refused to agree to this language and requested arbitration by Vermont Public Utility Commission.⁴ However, for reasons only FirstLight can explain, FirstLight subsequently withdrew its request for arbitration, opting not to interconnect with VTel.⁵

While VTel has no technical insights into the U.S. government's position that equipment from Huawei, ZTE, and other Chinese manufacturers pose cybersecurity threats, VTel understands all too well that the federal universal service fund, including the E-rate program, is essential for the survival of most of America's 1,200 rural independent telephone companies. VTel also understands that if the U.S. government determines that Huawei and ZTE pose a threat to the security of our nation's communications networks, we have an obligation to support this policy.

Accordingly, VTel agrees with the Commission's proposal to prohibit the use of universal funds to purchase equipment or services from any communications equipment or service providers identified as posing a national security risk to communications networks or the communications supply chain.⁶ Adopting it would eliminate uncertainty and reduce the regulatory burdens that fall most heavily on small operators that reinvest much of their revenue into the communities they serve. The proposal also would level the competitive playing field by creating incentives for operators to secure their networks rather than opting to deploy lower-cost Chinese manufactured equipment.

VTel also agrees with the Commission that "nothing in the [Communications Act] limits the FCC's authority to place conditions on the use of USF funds" and that "promotion of the national security is consistent with the public interest, and that USF funds should be used to deploy infrastructure and provide services that do not undermine our national security."⁷ For these reasons, VTel requests the Commission freeze the distribution of pending universal service support to any carrier that cannot attest either to having no prohibited telecommunications equipment in its network, or to completing the removal of any prohibited telecommunications equipment from its network within six months of the certification. Freezing universal service

² See *Petition of TVC Albany, Inc. d/b/a FirstLight Fiber for Arbitration of an Interconnection Agreement with Vermont Telephone Company*, Response to FirstLight's Petition for Arbitration, Vermont PUC Docket No. 18-C-4203-PET at 7 (filed Dec. 17, 2018) ("VTel Response") (citing John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. No. 115-232 § 889(f)).

³ See *Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs*, Notice of Proposed Rulemaking, 33 FCC Rcd 4058 (2018).

⁴ See *id.*

⁵ See *Petition of TVC Albany, Inc. d/b/a FirstLight Fiber for Arbitration of an Interconnection Agreement with Vermont Telephone Company*, Letter Withdrawing FirstLight's Petition, Vermont PUC Docket No. 18-4203-PET (filed Feb. 25, 2019).

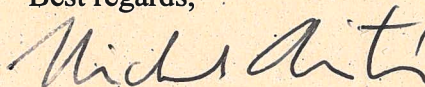
⁶ See *Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs*, Notice of Proposed Rulemaking, 33 FCC Rcd 4058 (2018).

⁷ *Id.* ¶¶ 35-36 (quoting *In re FCC 11-161*, 753 F.3d 1015, 1046 (10th Cir. 2014)).

support to any carrier using Huawei, ZTE or other potentially compromised network equipment will prevent carriers from investing limited universal service funds into products and services that may introduce new vulnerabilities in the nation's communications infrastructure.

Please contact me directly with any questions regarding this submission.

Best regards,

A handwritten signature in dark ink, appearing to read "Michel Guité". The signature is fluid and cursive, with the first name "Michel" and the last name "Guité" clearly distinguishable.

Dr. J. Michel Guité
Chairman and CEO, Vermont Telephone Co., Inc.
and VTel Wireless, Inc.